

~~SECRET~~**ROUTING AND RECORD SHEET****SUBJECT:** (Optional)Report of Audit of Procurement Division
1 January 1985 - 30 November 1986**FROM:** Deputy Inspector General for Audit

EXTENSION

NO.

25X1

25X1

1201 Key Building

DATE

15 JUN 1987

TO: (Officer designation, room number, and building)

DATE:

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Inspector General
6E18 Hqs.

17 JUN 87 h

2.

3.

4. Chief, Procurement
Division

25X1

5.

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.


REFERENCE

S E C R E T

15 June 1987

MEMORANDUM FOR: Chief, Procurement Division

VIA: Inspector General

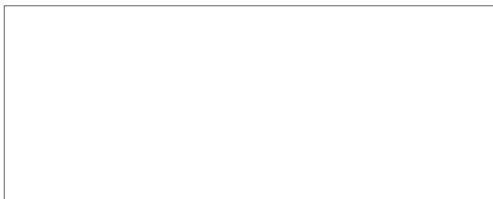
FROM:  Deputy Inspector General for Audit

SUBJECT: Report of Audit of Procurement Division
1 January 1985 - 30 November 1986

1. Subject report is attached for your review. Please advise me of action taken on the recommendations.
2. We appreciate the cooperation and assistance extended by your personnel during the audit.

Attachment:
As stated

All Portions Classified SECRET



S E C R E T

S E C R E T

SUBJECT: Report of Audit of Procurement Division,
1 January 1985 - 30 November 1986

25X1 C/ASTAD/AS (15Jun87)

Distribution:

Orig - Addressee
1 - SSA/DDA
1 - O/Compt/BMG
1 - D/OL

S E C R E T

REPORT OF AUDIT
Office of Logistics
Procurement Division

For the Period
1 January 1985 - 30 November 1986

SUMMARY

1. During the audit period, internal controls and procedures for the procurement of materials and services were generally effective and in compliance with applicable regulations and directives. This report contains recommendations concerning improved controls and procedures for the Small Purchases Section; strengthened follow-up procedures for inspection reports; instruction and training for personnel who code documents for input to the Contract Information System (CONIF); development of a procurement documentation quality assurance program; and improved controls and records for government property furnished to contractors. Other administrative problems were discussed with responsible officers and resolved during the audit.

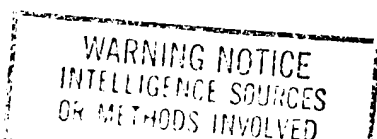
SCOPE

2. The audit included a review of administrative functions to evaluate the effectiveness of internal controls and procedures applied to the procurement process. Samples of active, in settlement, and closed contracts were examined to determine compliance with applicable laws, regulations and directives. Controls and procedures followed by the Small Purchases Section, located at the Logistics Operations Center, were also reviewed. Expenditures to support Procurement Division activities including personnel compensation and benefits are audited separately.

GENERAL

3. Procurement Division (PD) provides centralized management and execution of procurement actions for all Agency contracts, purchase orders and delivery orders except those assigned to decentralized procurement teams. The Chief,

All Portions Classified SECRET



S E C R E T

CL BY 0136750
DECL OADR

S E C R E T

Procurement Division is authorized to negotiate, execute, administer and settle contracts for research, development and engineering, for products and services, and for automatic data processing equipment.

4. During 1986, the Office of Logistics (OL) contracted with Coopers and Lybrand to study the Agency's procurement process and to make recommendations for increased operational efficiency and effectiveness. Agency management implemented several of these recommendations which should improve the Agency's procurement process.

25X1 5. PD has a personnel complement of employees. The
25X1 Division Fiscal Year 1987 allotment is

DETAILED COMMENTS

25X1

Page Denied

Next 2 Page(s) In Document Denied

TRANSMITTAL SLIP		DATE <u>31 AUG 1987</u>
TO:		
ROOM NO.	BUILDING	
REMARKS:		
MS/DA <u><i>[Signature]</i></u> <u>21 AUG 1987</u> ADDA <u><i>[Signature]</i></u> <u>01 SEP 1987</u> DDA <u><i>[Signature]</i></u> <u>02 SEP 1987</u>		
FROM:		
ROOM NO.	BUILDING	EXTENSION